



Sales Tax Rate Change Summary

Informational Bulletin

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Director of Revenue

For information or forms...

- ◆ Call us at:
1 800 732-8866 or
217 782-3336
- ◆ Call our TDD
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- ◆ Write us at:
Illinois Department of Revenue
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Springfield, IL 62794-9044
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- ◆ Call
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To:

All Retailers and Servicepersons Conducting Business in Units of Local Government That Have Imposed a Sales Tax Rate Change Beginning January 1, 2000

Effective **January 1, 2000**, certain units of local government have imposed home rule or county public safety sales tax on general merchandise, and some that have previously imposed these taxes have changed their rates.

The rates for these local taxes are part of the combined rate that is preprinted on your Form ST-1, Sales and Use Tax Return, or, for multiple-site filers, your Form ST-2, Multiple Site Form.

The new combined rate is reflected in Line 4a of Form ST-1 or Form ST-2 as a total general merchandise rate. To figure the appropriate combined rate, please see the table on the reverse side of this bulletin. For a complete listing of statewide sales tax rates, see the version of our Publication ST-25, Illinois Sales Tax Rate Reference Manual, that outlines rates effective January 1, 2000.

It may be necessary to adjust your cash registers and any computer programs you use so that, beginning on January 1, you will collect and pay the correct amount of tax.

What is taxed?

You must collect home rule sales tax or county public safety sales tax on sales of **general merchandise** (reported on Line 4a of Form ST-1 and Form ST-2). The same items of general merchandise reported on Form ST-1 and Form ST-2 that are subject to state sales tax are also subject to home rule sales tax or county public safety sales tax.

Home rule sales tax or county public safety sales tax does **not** apply to sales of qualifying food, drugs, and medical appliances* (reported on Line 5a of Form ST-1 and Form ST-2).

Also, home rule sales tax or county public safety sales tax does **not** apply to items that must be titled or registered by an agency of Illinois state government (reported on Form ST-556, Sales Tax Transaction Return).

Please note that home rule units of local government may impose and administer other taxes. If these taxes are imposed, they are not collected by the Illinois Department of Revenue. Please contact your municipal or county clerk's office for more information.

What do I do when a customer pays me on or after January 1 for a purchase that was delivered earlier and taxed at a different rate?

If the original purchase was subject to a tax rate that was in effect prior to this rate change, you must report these receipts on Line 8a and the tax on Line 8b.

Note: Lines 8a and 8b are to be used **only** to report receivables subject to a previous tax rate. No other use of this line is permitted.

* 86 Ill. Adm. Code 130.310



The following table outlines the sales tax rates for general merchandise effective January 1, 2000, for each of the units of local government in Illinois that have imposed a change in local sales tax rates. You will find the combined rate pre-printed on your Form ST-1 and Form ST-2 for each reporting period.

The sales tax rate changes listed below are the **only** rate changes effective January 1, 2000, that will be reflected on your Form ST-1 and Form ST-2. ▲

	Home Rule Sales Tax Rate Change	County Public Safety Sales Tax Rate Change	ST-1/ST-2 Combined Rate Effective 1/1/2000
Galesburg	-0.25%	+0.25%	7.25%*
Monmouth	+1%		7.25%
Mundelein	+0.75%		7.25%
Niles	+0.25%		8.50%
Boone County (Countywide)		+0.50%	**
Carroll County (Countywide)		+0.25%	***
Knox County (Countywide)		+0.25%	***
Richland County (Countywide)		+0.50%	**

* Knox County has imposed a countywide county public safety sales tax at the rate of 0.25%, effective January 1, 2000. However, Galesburg (which is located within Knox County) has reduced its home rule sales tax by 0.25%, effective January 1, 2000. Therefore, on January 1, 2000, Galesburg's combined rate of 7.25% does not change.

** Boone and Richland counties have imposed a countywide 0.50% county public safety tax. For all unincorporated areas and units of local government in this county that do not impose home rule sales taxes, the ST-1/ST-2 combined rate is 6.75%, effective January 1, 2000. For units of local government within this county that impose home rule sales taxes, the ST-1/ST-2 combined rate varies. Please refer to our Publication ST-25, Sales Tax Rate Reference Manual.

*** Carroll and Knox counties have imposed a countywide 0.25% county public safety tax. For all unincorporated areas and units of local government in this county that do not impose home rule sales taxes, the ST-1/ST-2 combined rate is 6.5%, effective January 1, 2000. For units of local government within this county that impose home rule sales taxes, the ST-1/ST-2 combined rate varies. Please refer to our Publication ST-25, Sales Tax Rate Reference Manual.